

DSCA



Security Assistance Management Manual (SAMM) Rewrite

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SAMM NEWS

SAMM now on the DSCA Web Site

-<http://www.dsca.osd.mil/samm/>

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Security Assistance Management Manual

DD5105.38



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WHERE WE BEGAN

- Complete rewrite of the SAMM
- Community request
- Clearly identify
 - What is law
 - What is policy
 - What is standardization
- More detail on some topics; less detail on others
- Simplify language---remove bureaucratic wordiness



USERS' THOUGHTS ON THE SAMM

- **Too long/not long enough**
- **Poorly organized, needs better index**
- **Needs tools for unique users (e.g., LOA writers, 36B processing, etc.)**
- **Outdated information**
- **Repetitive, sometimes conflicting**
- **Language too bureaucratic**
- **Need more information on:**
 - Excess Defense Articles
 - Drawdowns
 - FAA transfers
 - 36(b) notifications
 - Lease processing
 - FMS reviews
 - Competitions
 - Reinvention Initiatives
 - Humanitarian Assistance
 - Termination Liability Schedules
 - Technical data release
 - SDAF case closure responsibilities
 - International agreement processing
 - Dealing with contractors

Majority of feedback/input from user community



DIRECTION OF CURRENT EFFORT

- Reorganize material
- Update all material
- Remove duplication within and with other pubs
- Simplify language
- Reformat in accordance with DoD pubs guidance
- Provide consistency for all users to ensure timeliness of FMS processes

- Add new material
 - Competitions
 - Excess Defense Articles
 - Humanitarian Assistance
 - Security Assistance Teams
 - Drawdowns
 - etc.
- Add tables, samples, matrices to assist specific users

Expected to reduce current size

Expected to increase size



NEW LIST OF CHAPTERS

- 1. Security Assistance Overview**
- 2. Responsibilities and Relationships**
- 3. Technology Transfer and Disclosure**
- 4. Foreign Military Sales Program - General Information**
- 5. Foreign Military Sales - Case Development**
- 6. Foreign Military Sales - Case Implementation, Execution, and Closure**
- 7. Transportation**
- 8. End Use Monitoring**
- 9. Financial Policies**

- 11. Special Programs**
 - Acquisition and Cross Servicing Agreements
 - Counternarcotics Assistance Drawdowns
 - Excess Defense Articles
 - Foreign Assistance Act Programs
 - International Agreements
 - Leases of Defense Articles
 - Loans of Defense Articles
 - Military Assistance Program
 - Special Defense Acquisition Fund
- 12. Humanitarian Assistance and Mine Action Programs**
- 13. Management Information Systems**
- 14. Programming, Budgeting, and Forecasting**
- Appendices**



SAMPLE PAGES - NEW MATERIAL

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C4.4.3.5. The AECA does not prohibit police training or related programs. DSCA approval shall be obtained before offering this type of defense article or service through FMS procedures. See paragraph C4.3.6 for more information.

C4.4.4. Anti-Personnel Landmines. Section 556 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of FY97 (Public Law 104-208) extends the moratorium on sale, transfer, or assistance with respect to the provision of anti-personnel landmines.

C4.4.5. Napalm. Napalm, including napalm thickener, dispensers, and fuses will not be provided through FMS or commercial contracts.

C4.4.6. Riot Control Agents. Riot control agents may not be provided via FMS, but certain types are available on a commercial basis. Such proposed commercial sales require that an export license be obtained from the DoS, Office of Defense Trade Controls.

C4.4.7. Stinger/Man-Portable Air Defense System (MANPADS)-Restricted Countries. Section 532, Foreign Operations, Export Financing, and Related Programs Appropriations Act, FY94 continues the prohibition on provision of Stinger to countries bordering the Persian Gulf (Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, and Oman). Based on circumstances discussed in Section 581 of the 1990 version of this act (PL 101-167), this does not apply to Bahrain's one-for-one purchase of replacement missiles.

C4.5. GENERAL FMS POLICIES

Detailed procedures for FMS programs including writing LOAs and managing cases are found in Chapters 5 and 6. The following broad policies apply and should be noted early in the FMS process.

C4.5.1. Sales Determinations. The Secretary of State determines whether there will be a sale to a country and the amount thereof, whether there will be a lease to a country, and whether there will be delivery or other performance under any sale or lease. Arms control consequences must be taken into consideration when evaluating any FMS sale (FAA, Section 511; AECA, Section 38 (a)(2); AECA, Section 42 (a)(3)). Decisions to issue licenses or approve sales under the AECA or to furnish military assistance under the FAA, shall be made in coordination with the Director of the Arms Control and Disarmament Agency (new office symbol?) and shall take into account the Director's opinion on the extent to which such exports, sales, or assistance will contribute to an arms race, increase the possibility of outbreak or escalation of conflict, or prejudice the development of bilateral or multilateral arms control arrangements.

C4.5.2. International Weapons Competitions. Foreign nations often compete weapon system procurements. The foreign government's defense or economic ministry solicits bids or proposals from defense industries in the international market. Depending on the nation's acquisition process, the solicitation may be a formal request for information, a tender or proposal, an invitation to bid, or a similar document that states the review criteria for proposal submissions. Given the size of the U.S. industrial base, the U.S. response may consist of more than one offering. In the international competition, the foreign nation evaluates proposals submitted by both the U.S. and non-U.S. competitors against the solicitation criteria.

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C4.5.2.1. Foreign Solicitation. In an international competition, the foreign nation releases its solicitation in the international market. When submitted through appropriate channels (see paragraph C5.1.3.), the solicitation is an LOR and initiates USG processes (e.g., NDP-1, technology transfer, and other reviews) to determine if it is in the U.S. best interest to participate in the competition. The U.S. response in an international competition may include FMS, DCS, or a combination of both. Most foreign solicitations are released to international defense industries versus governments; however, the FMS process should not be excluded from the response solely on the basis of how the foreign solicitation was released or conditioned.

C4.5.2.2. Lead Agency/Advocacy. DSCA is the DoD focal point for policy regarding U.S. participation in international competitions. The Department of Commerce is the lead USG agency for policy regarding advocacy of U.S. offerings to foreign governments. The MILDEPs and defense contractor team to develop the proposal. Table C4.Txx. identifies the lead agency and advocacy for the USG responses.

Table C4.Txx. Lead Agency/Advocacy in International Competitions

Number of U.S. Responses	Number of Services Involved	Lead DoD Agency	USG Advocacy
One	One	Service responsible for the weapon system or technology offered	The one U.S. system offered is articulated as the formal U.S. position.
More than one	One	Service responsible for the weapon systems or technologies offered	USG personnel may not favor the merits of one U.S. proposal over another. U.S. advocacy must be generic - the U.S. proposals are combat proven, interoperable with many nations, technologically superior, worldwide supportable, etc. This neutral stance extends to USG presence in meetings with foreign officials. If USG personnel are present for one U.S. contractor presentation, every effort must be made to be present for all briefings on other U.S. offerings.
	More than one	DSCA	Only when one U.S. Service/contractor team remains in the competition can the United States advocate one U.S. offering. This occurs if all other Service/contractor teams self-eliminate or the foreign nation formally states these proposals are no longer under consideration.

C4.5.2.3. Responsibilities of the DoD Lead Managing the USG Response. The DoD lead facilitates the USG's deliberative processes such that the policy decisions that affect the proposals are developed as early as possible. The DoD lead obtains the views of the key USG stakeholders: Department of State, Office of the Under Secretary of Defense (Policy), Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics), Defense Technology Security Administration, Defense Security Cooperation Agency, and the Services. The DoD lead ensures the Service/contractor teams submit proposals consistent with the decisions from internal U.S. reviews and, within that context, responsive as possible to the requirements of the foreign solicitation and within the schedule requirements dictated by the solicitation. In those cases where there are more than one U.S. offering, the DoD lead must facilitate all U.S. proposals through the USG reviews on a level playing field basis consistent with the advocacy



SAMPLE TABLES

LOA Notes

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Table C5.T4. LOA Notes

Note Name	Usage	Note Text
Accessorial Charges	Mandatory for all cases that include accessory charges (e.g., PC&H, transportation, etc.)	"A [insert type of charge] charge has been applied to lines [include applicable line numbers]." Note: Repeat this sentence as needed for each separate charge.
Administrative Surcharge	Mandatory for all cases	"An administrative surcharge of 3% has been applied to lines [include applicable line numbers]. An administrative surcharge of 5% has been applied to lines [include applicable line numbers]. An administrative surcharge of 2.5% has been applied to lines [include applicable line numbers]." Note: Only include the percentages that are included on the case.
Administrative Surcharge Waiver - NAMSA	Mandatory for all NAMSA cases that have waived administrative surcharges	"This LOA is in support of [insert title of the weapon system partnership agreement or NATO/SHAPE project]. Administrative charges waived on this LOA will be reimbursed from the FMS Admin Account from Program 10 funds controlled by the U.S. Mission to NATO, (insert reference describing U.S. Mission to NATO documentation). Administrative charges are waived by the Director, DSCA, under the provisions of Sec 21(E)(3)(a) of the AECA."
Aircraft Movement	Mandatory for cases that involve delivery of aircraft.	<ul style="list-style-type: none"> A. The USG will provide for movement of aircraft to point of delivery specified in this LOA. *B. In order to carry out the purpose of this LOA, the USG will accept title to the aircraft from the contractor, and title to the aircraft will remain with the USG until arrival at the point of delivery, at which time title passes to the Purchaser. *C. The aircraft will be marked with appropriate USG markings. The Purchaser is liable for the cost of placing such markings on the aircraft and is responsible for removing such markings upon passage of title to the Purchaser. D. The USG will not be subject to or held liable for any import fees, duties, or other charges levied by the Purchaser. E. Date of delivery to destination will be contingent upon the receipt of necessary overflight and other clearances. F. The Purchaser is liable for all enroute costs including, but not limited to, any maintenance required to insure that the aircraft are in a safe condition, in accordance with current USG regulations, prior to flight. G. It is agreed that there will normally be no USG/Purchaser splits in crews. Any USG/Purchaser split in crew composition must be approved by _____ based upon a request submitted by the Purchaser setting forth the reasons for the request, the desired crew composition, and the aircraft qualifications of proposed crew members of the Purchaser. If split crews are used, the aircraft commander must be an officer of the USG who will have command and control over the aircraft. If more than one aircraft is being ferried, the designated flight leader will be an officer of the USG and will have command and control over all aircraft. * When the USG is to ferry Purchaser-owned aircraft, replace B. and C. above with the following: B. In order to carry out the purpose of this LOA, the Purchaser grants the USG possession of the aircraft. The title to the aircraft will remain with the Purchaser. C. The aircraft will be marked with appropriate USG markings.

Country Codes

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C4.2.2.2. Prior DSCA approval must be obtained for the sale or lease of defense articles, defense services, or training to foreign organizations or personnel if they are engaged in ongoing civilian police functions under the direction and control of the ministry responsible for defense matters.

C4.2.2.3. Assistance may be provided to Communist countries only if the President exercises his waiver authority under Foreign Assistance Act (FAA), Section 614(a) and finds and reports to Congress that such assistance is vital to the security of the United States and promotes the independence of the recipient country from international communism. (FAA, Section 620(f))

C4.2.3. **Purchasers Currently Eligible.** Questions regarding eligibility should be referred to DSCA. Country and international organization codes and their current FMS eligibility status are listed in Table C4.T2.

C4.2.3.1. This table identifies the short names and two digit country/organization codes assigned for FMS purposes (e.g., for assignment of LOA identifiers or Security Assistance communications). For territories, the host country code is listed in parenthesis to the right of the territory name.

C4.2.3.2. The country codes are generally consistent with National Institute of Standards and Technology (NIST) codes in Publication 10-4, Federal Information Processing Standards, maintained by National Imagery and Mapping Agency (NIMA). If FMS and NIST codes differ, NIST codes are listed in parenthesis to the right of the FMS code.

C4.2.3.3. The FMS AECA Eligible (Yes/No) column indicates those countries/organizations determined by the President under AECA, Section 3(a)(1) to be eligible to purchase defense articles and defense services under authority of the AECA. A determination by itself does not signify that sales will be made since (1) sales may be suspended for legal or policy reasons; and (2) certain items may not be releasable to the requesting country.

Table C4.T2. Country and International Organization Codes and FMS Eligibility

Country/ Territory (Host Country)	FMS Country Code/ (NIST Code)	Unified Command	Region Grouping	FMS AECA Eligible?	Term of Sale - Dependable Undertaking Authorized?
Afghanistan	AF	CE	NESA	Yes \l	No
Albania	AL	EU	EUR	Yes	Yes
Algeria	AG	EU	NESA	Yes	Yes
Andorra	AN	EU	EUR	No	No
Angola	AO	EU	AFR	No	No
Anguilla	AV	SO	AR	No	No
Antigua and Barbuda (UK)	AC	SO	AR	Yes	No
Argentina	AR	SO	AR	Yes	Yes
Armenia	AM	EU\3	EUR	No	No



REMAINING SCHEDULE

- Oct 02 - Complete remaining chapters
- 4 - 22 Nov 02 - DSCA internal review
 - 25 Nov 02 coordination - Send out for external
 - 31 Dec 02 - Coordination responses due
- 31 Jan 03 addressed
 - 17 - 31 Mar 03 - Finalize for submission, references, page numbers, links, etc.
- 1 Apr 03 - Ready for submission to public

 1 May 03 - Publish SAMM